

UNITED STATES DEPARTMENT OF AGRICULTURE

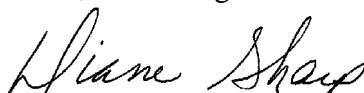
Farm Service Agency
Washington, DC 20250

Notice CRP-401

For: State and County Offices

2002 CRP 1-Year Contract Extension for Hardwood Tree Practices

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A

Background

On May 13, 2002, the President signed into law the Farm Security and Rural Investment Act of 2002 (the Act). Section 1231(e)(3) of the Act provides for 1-year extensions of CRP contracts beyond the 15-year contract period for contracts with hardwood trees. CRP participants with CRP contracts containing hardwood tree practices that are scheduled to expire on September 30, 2002, will have the option to modify all or part of that contract to extend the expiration date for a period of 1 year at the same per acre payment rate. A 1-year extension has been authorized.

B

Purpose

This notice provides instructions for implementing the 1-year contract extension.

C

Signup Period

Participants may submit requests from the date of this notice through July 26, 2002, to modify eligible contracts to extend the expiration date.

Disposal Date

January 1, 2003

Distribution

State Offices; State Offices relay to County Offices and
NRCS State Offices

2 1-Year Contract Modification Provisions

A

General Provisions

The following provisions apply to CRP-1 modifications to extend the expiration date 1 year.

- All eligible signatories on CRP-1, or their duly-appointed representative, shall sign CRP-1F Addendum as shown in Exhibit 1. This agreement requires continuing the terms and conditions of CRP-1 through September 30, 2003. COC is authorized to accept late-filed requests through September 30, 2002.
- The 1-year modification to extend option is available only to participants on acreage established to a hardwood tree practice that expires from CRP on September 30, 2002.
- Practices eligible for the 1-year contract modification are:
 - **CP3A, Hardwood Tree Planting**
 - **CP4B, Permanent Wildlife Habitat**
 - **CP5A, Field Windbreak Establishment**
 - **CP16A, Shelterbelt.**

Note: This provision includes acreage erroneously enrolled based on an erroneous land eligibility determination as provided in 2-CRP, subparagraph 243 A.

- All contracts with hardwood trees scheduled to expire September 30, 2002, are eligible. In no case shall CRP-1F Addendum be approved that would have the effect of a contract with a duration, in the aggregate, exceeding 16 years.

Exceptions: COC may determine not to require a tenant's signature on the modified CRP-1 if the tenant is either of the following:

- no longer has a right in interest to the land, such as a written lease for the time period of the modification or a maintenance agreement (not necessarily written) with the landlord
- not otherwise involved in farming other acreage on the farm.

When the tenant's signature is not required on the modified CRP-1, the full rental payment may be made to the landowner.

- Base, allotment, and quota history shall be reinstated to the farm when acreage expires from CRP, if applicable.

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2 1-Year Contract Modification Provisions (Continued)

B

Repayments

Participants may cancel the 1-year modification agreement on or before September 30, 2002, without repayment. Agreements terminated after this date are considered contract terminations and subject to standard termination policy in 2-CRP, paragraph 288.

C

Federal Crop Insurance Requirements

There is no insurance linkage to participants who enter 1-year contract modifications provided for in this notice.

D

FSA-578 End-Year Dates

End-year dates, as provided for in 2-CP, paragraph 78, shall be changed to “2003” for all acreage extended under CRP according to the provisions of this notice.

3 Action

A

KCAO Action

KCAO shall:

- notify all affected CRP participants with CRP-1's expiring on September 30, 2002 (Exhibit 2)
 - provide a list to County Offices through the Internet containing the names of all CRP participants to whom the letter in Exhibit 2 was sent.
-

B

State Office Action

State Offices shall:

- forward the information in this notice to County Offices
 - retrieve CRP-1F Addendum from the FFAS Intranet Forms Online website at <http://intranet.fsa.usda.gov/fsa/>
 - ensure that County Offices record CRP-1F Addendum in the system on or before September 30, 2002.
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3 Action (Continued)

C

County Office Action

County Offices shall:

- review the interest list provided by KCAO through the Internet (<http://dc.ffasintranet.usda.gov/dafp/cepdsto.htm>) to ensure that CRP participants with contracts eligible for this 1-year extension were notified

Note: Send the letter in Exhibit 2 to any CRP participants who did not receive this notification.

- ensure that only those 15-year contracts with hardwood trees scheduled to expire on September 30, 2002, are approved
- follow up with participants with 15-year contracts with hardwood trees expiring on September 30, 2002, on September 3, 2002, who have not answered the response requested in the extension letter mailed by KCAO

Suggestion: A copy of the KCAO list of participants with expiring contracts may be used to track the dates replies are received in the County Office.

- accept separate requests to modify CRP-1 to extend the expiration date for 1 year on CRP-1F Addendum (Exhibit 1)

Note: Do not approve requests until all signatories to CRP-1, or their duly-authorized representative, have signed CRP-1F Addendum.

Exception: COC may determine not to require a tenant's signature on the modified CRP-1 if the tenant is either of the following:

- no longer has a right in interest to the land, such as a written lease for the time period of the modification or a maintenance agreement (not necessarily written) with the landlord
- not otherwise involved in farming other acreage on the farm.

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3 Action (Continued)

C

**County Office
Action
(Continued)**

- for participants that modify CRP-1 on only a part of the acreage under CRP-1, revise CRP-1, according to 1-CRP, to designate on separate CRP-1's the acres:
 - expiring on September 30, 2002
 - being extended through September 30, 2003
- record modified CRP-1's in the system after updated software has been received, but no later than September 30, 2002.

Note: Updated software to record CRP-1's modified according to this notice will be included in County Release No. 489, which will be received by County Offices the week of July 8, 2002.

CRP-1F Addendum, CRP-1 Modification to Extend the Contract Expiration Date for 1 Year

The following is an example of a completed CRP-1F Addendum.

REPRODUCE LOCALLY. Include form number and date on all reproductions.		Form Approved - OMB No. 0560-0125
CRP-1F Addendum (01-14-02)	U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation	1. ST. & CO. Code 42-075
CRP-1 MODIFICATION TO EXTEND THE EXPIRATION DATE FOR 1 YEAR		2. Contract Number 12
		3. Farm Number 102
4. TERMS TO EXTEND EXPIRATION DATE OF THE CRP-1 CONTRACT		
<p>This contract modification is entered into by the Commodity Credit Corporation (CCC) and the undersigned participant(s) of the Conservation Reserve Program (CRP) contract in Item 2 above.</p> <p>By signing this contract modification, the participant(s) and CCC agree to:</p> <ul style="list-style-type: none"> • extend the expiration date of the CRP contract identified in Item 2 above for the period from October 1, 2002, through September 30, 2003. • comply with the terms and conditions of the cited contract as contained in the corresponding CRP-1, CRP-1 Appendix, and any addendum thereto. • extend the lifespan of all CRP practices established for the contract identified in Item 2 above for 1 year longer than indicated on ACP-245, page 2 or for 1 year longer than was agreed to under other extension provisions. 		
It is so agreed and understood.		
Participant Name (Printed)	Participant Signature	Date
John Doe	/s/ John Doe	06-03-02
Participant Name (Printed)	Participant Signature	Date
Mary Doe	/s/ Mary Doe	06-03-02
Participant Name (Printed)	Participant Signature	Date
Participant Name (Printed)	Participant Signature	Date
5. Signature of CCC Representative	Date	6. County FSA Office Name and Address
/s/ COC Person	06-03-02	Lebanon County FSA Office 123 N. Main Street Anytown, PA 12345-6789 Telephone No. (123): 456-7890
<small>NOTE: The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a) and the Paperwork Reduction Act of 1980, as amended. The authority for requesting the following information is 7 CFR Part 704. The information will be used to modify the CRP-1 contract by extending the expiration date for 1 year. Furnishing the requested information is voluntary. Failure to furnish the requested information will result in loss of benefits. This information may be provided to other agencies, IRS, Department of Justice, or other State and Federal Law enforcement agencies, and in response to a court magistrate or administrative tribunal. The provisions of criminal and civil fraud statutes, including 18 USC 286, 287, 371, 651, 1001; 15 USC 714m; and 31 USC 3729, may be applicable to the information provided.</small>		
<small>According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0560-0125. The time required to complete this information collection is estimated to average 5 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</small>		
<small>The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.</small>		

Letter to CRP Participants With Contracts Expiring on September 30, 2002

The following letter will be sent to CRP participants with CRP contracts containing hardwood tree practices that are scheduled to expire on September 30, 2002.



United States
Department of
Agriculture

Farm and Foreign
Agricultural Services

Farm Service
Agency

1400 Independence
Avenue, SW
Stop 0539
Washington, DC
20250-0539

Dear CRP Participant:

Recently, President Bush signed into law the Farm Security and Rural Investment Act of 2002 which provided for a 1-year extension beyond the normal 15-year period for contracts with hardwood trees. Therefore, because your contract includes hardwood trees and was scheduled to expire on September 30, 2002, after 15 years, you are eligible to extend your CRP contract(s) for one year to September 30, 2003.

Earlier this year, you may have received a letter regarding a 1-year extension for other contracts. That letter and 1-year contract extension for contracts expiring with less than 15 years is separate and should not be confused with this 1-year extension for contracts with hardwood trees.

You must make this important decision on whether to extend this CRP contract by July 26, 2002, by contacting your local FSA office.

For more information about the 1-year extension sign up, please contact your local FSA county office where your contract(s) is administered.

Sincerely,

A handwritten signature in cursive script that reads "James R. Little".

James R. Little
Administrator

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